

CHUBB

Basic and Voluntary Accidental Death & Dismemberment Insurance

Class 2 - Canadian Merchant Service Guild Staff of:
**Board of Trustees of the Canadian Merchant
Service Guild (Eastern Branch)
Health & Welfare Trust Fund**

Policy Number:

AB30114001

OE30114001

Underwritten by:

Chubb Life Insurance Company of Canada

Effective Date:

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This brochure has been prepared in connection with a group plan underwritten by Chubb Life Insurance Company of Canada (“Chubb Life”). For ease of reference it contains a brief description only and does not mention every provision of the contract issued. Please remember that rights and obligations are determined in accordance with the contract and not this brochure. For the exact provisions applicable, please consult your Plan Administrator.

BASIC ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

COVERAGE

The plan offers you full 24-hour protection against accidents, on or off the job, on business, on vacation, at home, regardless of your health history.

ELIGIBILITY

All active permanent employees of the policyholder. Benefit terminates at the end of the month participant reaches age 70 or earlier retirement.

BENEFIT AMOUNT

Three (3) times annual earnings rounded to the next \$1,000 (if not already a multiple thereof) to a maximum of \$400,000.

*The term "annual earnings" as used herein shall mean an Insured Person's basic annual salary excluding overtime, bonus, or commission.

In the event of your death, the benefit amount is payable to the beneficiary you have named under your Group Life Insurance Plan or in the absence of such designation, to your Estate.

VOLUNTARY ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE

COVERAGE

The plan offers you full 24-hour protection against accidents, on or off the job, on business, on vacation, at home, regardless of your health history.

ELIGIBILITY

All active permanent employees of the policyholder. Benefit terminates upon attainment of age 70 or earlier retirement.

Under the Family Plan, you insure your family members as follows: Your spouse, (legally married or domestic partner) under age 70 and your unmarried, dependent children, including natural, legitimate, illegitimate, adopted, step child or common law child, who are under age 21, or under age 25, if the child is a full-time student and dependent on you or your spouse for financial support, or over age 21 if the child is dependent by reason of mental or physical infirmity and incapable of self-sustaining employment and dependent upon you or your spouse for financial support.

BENEFIT AMOUNT

You may choose the benefit amount and the type of plan.

Employee Only Plan

You may choose any amount of insurance from \$10,000 to \$250,000 in units of \$10,000, subject to a minimum of \$10,000 or;

You may prefer to become insured under the **Family Plan** under which your spouse and dependent children will automatically become insured. The amount of insurance which may be applied to members of your family is expressed as a percentage of the amount which you select for yourself and is based on the composition of the family at the time of loss, as follows:

Composition of Family	Spouse	Each Child
Spouse & Eligible Dependent Children	50% of the employee's elected amount	15% of the employee's elected amount to a maximum of \$50,000
Spouse & No Eligible Dependent Children	60% of the employee's elected amount	N/A
No Spouse but Eligible Dependent Children	N/A	20% of the employee's elected amount to a maximum of \$50,000

COST OF INSURANCE

The monthly premium rate for the Employee Only Plan is \$0.024 per \$1,000 of insurance. The Family Plan is \$0.035 per \$1,000 of insurance. Premium is fully paid by you through "a series of post-dated cheques" or "Pre-Authorized Payments (PAP) arranged directly with the Plan Administrator"..

BENEFIT AND COST TABLE

(plus applicable provincial sales tax)

Benefit Amount	Employee Plan	Family Plan
\$10,000	\$0.24	\$0.35
\$50,000	\$1.20	\$1.75
\$100,000	\$2.40	\$3.50
\$150,000	\$3.60	\$5.25
\$200,000	\$4.80	\$7.00
\$250,000	\$6.00	\$8.75

Benefits payable under the following section will be limited to only one (1) policy in the event the benefits are contained in two (2) or more policies issued to the Policyholder by Chubb Life (not applicable to the Schedule of Losses, Exposure and Disappearance, Conversion and Common Disaster [applicable to Voluntary only]).

THE FOLLOWING BENEFITS ARE APPLICABLE TO BOTH THE BASIC AND VOLUNTARY INSURANCE

SCHEDULE OF LOSSES

Accidental Death & Dismemberment

If such injuries shall result in any one of the following specific losses within one year from the date of the accident, Chubb Life will pay the percentage of the benefit amount, based on the amount stated under the benefit amount section, however, that not more than one (the largest) of such benefits shall be paid with respect to injuries resulting from one accident.

	Percentage of Benefit Amount
Loss of Life.....	100%
Loss of Entire Sight of Both Eyes	100%
Loss of One Hand and One Foot.....	100%
Loss of Use of One Hand and One Foot	100%
Loss of One Hand and Entire Sight of One Eye	100%
Loss of One Foot and Entire Sight of One Eye.....	100%
Loss of Speech and Hearing in Both Ears	100%
Coma	100%
Brain Death	100%
Loss of Both Arms, Both Hands, Both Legs or Both Feet.....	200%
Loss of Use of Both Arms, Both Hands, Both Legs or Both Feet	200%
Quadriplegia.....	200%
Paraplegia	200%
Hemiplegia	200%
Loss of One Arm or One Leg.....	75%
Loss of Use of One Arm or One Leg	75%
Loss of One Hand or One Foot	75%
Loss of Use of One Hand or One Foot.....	75%
Loss of Entire Sight of One Eye	75%
Loss of Speech or Hearing in Both Ears.....	75%
Loss of Thumb and Index Finger of Same Hand	33 1/3%
Loss of Use of Thumb and Index Finger of Same Hand.....	33 1/3%
Loss of Four Fingers of Same Hand	33 1/3%
Loss of Hearing in One Ear	33 1/3%
Loss of All Toes of Same Foot	25%

“Loss” shall mean with respect to hand or foot, the actual severance through or above the wrist or ankle joint; with respect to arm or leg, the actual severance through or above the elbow or knee joint; with respect to eye, the total and irrecoverable loss of sight; with respect to speech, the total and irrecoverable loss of speech which does not allow audible communication in any degree; with respect to hearing, the total and irrecoverable loss of hearing which cannot be corrected by any hearing aid or device; with respect to “Loss of Thumb and Index finger of Same Hand” or “Loss of Four Fingers of Same Hand”, the actual severance through or above the metacarpophalangeal joints of the same hand (the joints between the fingers and the hand); with regard to toes, the actual severance through or above the metatarsophalangeal joints (the joints between the toes and the foot) of the same foot. If you suffer complete severance of a hand, foot, arm or leg as described above, then Chubb Life will pay the amount specified above even if the severed limb is surgically reattached, whether successful or not.

“Loss” as used with reference to quadriplegia (paralysis of both upper and lower limbs), paraplegia (paralysis of both lower limbs), and hemiplegia (total paralysis of upper and lower limbs of one side of the body), means the complete and irrecoverable paralysis of such limbs, provided such loss of function is continuous for 180 consecutive days and such loss of function is thereafter determined on evidence satisfactory to Chubb Life to be permanent.

“Loss of Use” shall mean the total and irrecoverable loss of function of an arm, hand, foot, leg or thumb and index finger of the same hand provided such loss of function is continuous for twelve consecutive months and such loss of function is thereafter determined on evidence satisfactory to Chubb Life to be permanent.

“Brain Death” means irreversible unconsciousness with total loss of brain function; and complete absence of electrical activity of the brain, even though the heart is still beating.

“Coma” means the Insured has been in a state of unconsciousness for a continuous period of at least 96 hours, during which external stimulation produced no more than primitive avoidance reflexes. A Physician who is certified as a neurologist must confirm diagnosis in writing.

All benefits that are payable at 200% of the Principal Sum are subject to an all policies combined maximum benefit amount of \$1,000,000.

Repatriation Benefit

When injuries covered by this plan result in a loss of life of an insured person outside 150 km from their city of permanent residence or outside of Canada and the loss of life occurs within 365 days from the date of the accident, Chubb Life will pay the actual expense incurred for preparing the deceased for burial and shipment of the body to the city of residence of the deceased, but not to exceed \$15,000.

Rehabilitation Benefit

When injuries result in a payment being made by Chubb Life under any benefit excluding the Loss of Life Benefit, Chubb Life will also pay the reasonable and necessary expenses actually incurred up to a limit of \$15,000 for special training provided:

- a. such training is required because of such injuries and in order for the Insured employee to become qualified to engage in an occupation in which he/she would not have been engaged except for such injuries;
- b. expenses are to be incurred within two years from the date of the accident;
- c. no payment will be made for ordinary living, travelling or clothing expenses.

Family Transportation Benefit

When injuries result in an insured person being confined as an in-patient in a hospital outside 150 km their city of permanent residence or outside of Canada, and requires personal attendance of a member of their immediate family as recommended by the attending physician, in writing, Chubb Life will pay for the expense incurred by the member of the family for the transportation by the most direct route by a licensed common carrier to the confined insured person, but not to exceed an amount of \$15,000.

“Member of the Immediate Family” means spouse, parent or stepparent, child or stepchild, brother or sister, stepbrother or stepsister, brother-in-law or sister-in-law, mother-in-law or father-in-law, and son-in-law or daughter-in-law.

Spousal Occupational Training Benefit

When injuries to you result in a payment being made by Chubb Life under the Loss of Life Benefit, Chubb Life will pay in addition, the expenses actually incurred, within 365 days from the date of the accident, by your spouse for a formal occupation training program for the purpose of specifically qualifying your spouse to gain active employment in an occupation for which your spouse would otherwise not have sufficient qualifications. The maximum payable hereunder is \$15,000.

Home Alteration and Vehicle Modification Benefit

In the event an insured person sustains an injury which results in a payment being made under this plan, excluding the Loss of Life Benefit, and such injury subsequently requires the use of a wheelchair to be ambulatory, Chubb Life will pay the reasonable and necessary expenses actually incurred within 365 days from the date of the accident for:

1. the one-time cost of alterations to the insured person's principal residence to make it wheelchair accessible and habitable; and
2. the one-time cost of modifications necessary to a motor vehicle utilized by the insured person to make the vehicle accessible or operable for the insured person.

Benefit payments herein will not be paid unless:

- i. home alterations are made by a person or persons experienced in such alterations and recommended by a recognized organization, providing support and assistance to wheelchair users; and
- ii. vehicle modifications are carried out by a person or persons with experience in such matters and modifications are approved by the Provincial vehicle licensing authorities.

The maximum payable under both items 1 and 2 shall be 10% of the Insured Person's Principal Sum amount to a maximum of \$50,000.

Day Care Benefit

If you (the employee) suffer a loss of life in a covered accident while this policy is in force, Chubb Life will pay, in addition to all other benefits payable under the policy, a "Day Care Benefit" equal to the reasonable and necessary expenses actually incurred, subject to the lesser of 5% of your benefit amount or a maximum of \$5,000 per year, on behalf of your dependent child who is enrolled in a legally licensed day care centre on the date of the accident or who enrolls in a legally licensed day care centre within 365 days following the date of the accident.

The "Day Care Benefit" will be paid each year for four (4) consecutive years, but only upon receipt of satisfactory proof that your child is enrolled in a legally licensed day care centre.

"Dependent Child" means the employee's eligible unmarried natural legitimate, illegitimate, adopted, step-child or common-law child who is principally dependent on the Employee or the Employee's spouse for financial support.

Special Education Benefit

If you (the employee) suffer a loss of life in a covered accident under this policy, Chubb Life will pay, in addition to all other benefits payable under this policy, a "Special Education Benefit" equal to 5% of your benefit amount, (subject to a maximum of \$5,000 per year), on behalf of your dependent child who, on the date of the accident, is enrolled as a full-time student in any post – secondary institution or was at the 12th grade level and subsequently enrolls as a full-time student in a post-secondary institution within 365 days following the date of the accident.

The “Special Education Benefit” is payable annually for a maximum of four (4) consecutive annual payments but only if your dependent child continues his/her education as a full-time student in an institution of higher learning.

Bereavement Benefit

When injuries covered by this policy result in loss of life of an Insured Person within 365 days from the date of the accident, Chubb Life will pay the reasonable and necessary expenses actually incurred by the spouse and dependent children of the Insured Person for up to six (6) sessions of grief counseling, by a Professional Counsellor, subject to a maximum of \$1,000.

“**Professional Counsellor**” means a therapist or counsellor who is licensed, registered or certified to provide such treatment.

In-Hospital Confinement Monthly Income

In the event you sustain an injury which results in a payment being made under the Schedule of Losses of this policy, excluding the Loss of Life Benefit and the Insured Person is hospital confined as an in-patient and is under the care of a legally qualified and registered physician or surgeon other than himself, Chubb Life will pay for each full month, one percent (1%) of the Insured Person's Principal Sum, subject to a maximum benefit of \$2,500, or one-thirtieth of such monthly benefit for each day of partial month, retroactive to the 1st full day of such confinement but not to exceed 365 days in the aggregate for each period of hospital confinement.

“**Hospital**” as used herein means a legally constituted establishment which meets all of the following requirements: (1) operates primarily for the reception, care and treatment of sick, ailing or injured persons as in-patients; (2) provides 24 hour a day nursing service by registered or graduate nurses; (3) has a staff of one or more licensed physicians available at all times; (4) provides organized facilities for diagnosis and surgical facilities; and (5) is not primarily a clinic, nursing home or convalescent home or similar establishment nor, other than incidentally, a place for alcoholics or drug addicts.

“**In-Patient**” means a person admitted to a hospital as a resident or bed-patient and who is provided at least one day's room and board by the hospital.

Cosmetic Disfigurement Benefit

If an Insured Person suffers a third degree burn due to an accident, Chubb Life will pay a percentage of the Principal Sum depending on the area of the body which was burned according to the following table, subject to a maximum benefit payable of \$25,000:

Body Part	% of Principal Sum Payable
Face, Neck, Head.....	100%
Hand and Forearm Loss of Life.....	25%
Either Upper Arm.....	15%
Torso (Front or Back).....	35%
Either Thigh.....	10%
Either Lower Leg (below knee)	25%

In the event of a 50% surface burn, the % of benefit is reduced by 50%. This table only represents the maximum percent of the Principal Sum payable for any one accident. If the Insured suffers burns in more than one area as a result of any one accident, benefits will not exceed a maximum of \$25,000.

Seat Belt Benefit

In the event you sustain an injury which results in a payment being made under the Schedule of Losses, your benefit amount will be increased by 10%, to a maximum of \$25,000, if, at the time of the accident, you were driving or riding in a vehicle and wearing a properly fastened seat belt. Due proof of seat belt use must be provided as part of the written proof of loss.

“**Vehicle**” means a private passenger car, station wagon, van, or jeep-type automobile. “**Seat Belt**” means those belts that form a restraint

Identification Benefit

In the event accidental Loss of Life is sustained by the Insured Person not less than 150 km from the Insured Person’s normal place of residence and identification of the body by a member of the immediate family has been requested by the police or a similar governmental authority, Chubb Life will reimburse the reasonable expenses actually incurred by such member for:

- a. transportation by the most direct route to the city or town where the body is located; and
- b. hotel accommodation in such city or town, subject to a maximum duration of three (3) days.

The reimbursement of such expenses incurred is subject to the accidental loss of life indemnity being subsequently payable in accordance with the terms of this policy following the identification of the body as the Insured Person. The maximum amount payable will not exceed \$15,000 for all such expenses.

Payment will not be made for board or other ordinary living, travelling or clothing expenses, and transportation must occur in a vehicle or device operated under a license for the conveyance of passengers for hire.

Conversion Privilege

On the date of termination of employment or during the 31 day period following termination of employment, you may convert your insurance to an individual ACCIDENTAL DEATH AND DISMEMBERMENT only insurance policy of Chubb Life. The individual policy will be effective either as of the date that the application is received by Chubb Life or on the date that coverage under the group policy ceases, whichever occurs later. The premium will be the same, as a person would ordinarily pay when applying for an individual policy at that time. The amount of insurance benefit converted will not exceed that amount of issued during employment, up to a combined policy maximum of \$200,000. The individual policy will cover ACCIDENTAL DEATH and DISMEMBERMENT only.

Exposure and Disappearance

Loss resulting from unavoidable exposure to the elements and arising out of hazards described herein shall be covered to the extent of the benefits afforded you.

If an Insured Person's body has not been found within one year of the disappearance, stranding, sinking or wrecking of the conveyance in which he/she was riding at the time of the accident it shall be presumed, subject to all other conditions of the policy, that he/she suffered a loss of life resulting from bodily injuries sustained in an accident covered under this plan.

Waiver of Premium (applicable to Basic AD&D only)

If an Insured Employee, under age 65, becomes totally disabled for 6 consecutive months and an Insured Employee provides evidence of total disability satisfactory to Chubb Life Insurance, Chubb Life Insurance will then waive the payment of each premium which falls due with respect to an Insured Employee and any Insured Dependents. Subject to all the terms and conditions of the policy, waiver of any premium as herein provided will continue with respect to an Insured Employee until age 65 or earlier termination of the policy. If an Insured Employee ceases to be disabled and an Insured Employee returns to employment with the Policyholder and is an employee of an eligible class, insurance with respect to an Insured Employee may be continued upon resumption of premium payments by an Insured Employee or the Policyholder.

If after 120 days, an Insured Employee receives approval of any long term disability claim provided under a policy of group insurance through the Policyholder, Chubb Life will then waive the payment of each Accidental Death and Dismemberment insurance premium subject to the terms stated above.

Recurrent Disabilities

When an Insured Employee becomes totally disabled again from the same or related causes within 6 months of cessation of the Waiver of Premiums, then all

such recurrences will be considered a continuation of the same disability and Chubb Life will waive the 6 month qualification period.

If the same disability recurs more than 6 months after cessation of the Waiver of Premiums, such disability will be considered a separate disability. Two disabilities which are due to unrelated causes are considered separate disabilities if they were separated by a return to work of at least one (1) day.

Termination of Waiver of Premium

Waiver of Premiums will cease on the earliest of:

- a. the date an Insured Employee ceases to meet the policy's definition of totally disabled;
- b. the date an Insured Employee does not supply Chubb Life with appropriate medical evidence as deemed necessary by Chubb Life;
- c. the date an Insured Employee is no longer receiving regular, ongoing care and treatment of a Physician appropriate for the disabling condition, as determined by Chubb Life;
- d. the date an Insured Employee does not attend a medical, psychiatric, psychological, functional, educational and/or vocational examination evaluation by an examiner selected by Chubb Life;
- e. the date the policy terminates;
- f. the date an Insured Employee turns 65; or
- g. the date an Insured Employee dies.

Coverage During Waiver of Premium

While premiums are being waived, Basic Accidental Death and Dismemberment Insurance under the policy on an Insured Employee will continue to be in force. The amount of such insurance will be the amount of insurance that was in effect on the date of commencement of the disability, subject to any age reduction or termination shown in the policy.

“Totally Disabled or Total Disability” with respect to Waiver of Premium means disability resulting from injury or sickness which prevents engagement in an Insured Person's regular occupation for 6 consecutive months.

Continuance of Coverage

If an Insured Employee is: (1) laid off on a temporary basis; (2) temporarily absent from work due to short-term disability; (3) on leave of absence; or (4) on maternity leave, coverage shall be extended for 12 months, subject to the payment of premiums. If an Insured Employee assumes other occupational duties during the leave or lay-off period, no benefits shall be payable for a loss occurring during the performance of such other occupation.

**THE FOLLOWING BENEFITS ARE APPLICABLE TO THE
VOLUNTARY INSURANCE ONLY**

Common Disaster Benefit

(only applicable in the case of Family Coverage)

If as a result of a “common accident” you and your spouse should both lose your lives within one (1) year of such "common accident", your spouse's loss of life benefit shall be increased to equal 100% of your (employee) benefit amount. The benefit will be payable to and equally divided among your “surviving children”, or, in the case of any "surviving child" who is a minor or otherwise not competent to give valid release, Chubb Life may pay such benefit to the guardian, trustee or other person deemed by Chubb Life to be equitably entitled to receive such benefit. Any payment made by Chubb Life in good faith pursuant to this provision shall fully discharge Chubb Life to the extent of such payment.

“**Common accident**” means the same accident or separate accidents occurring within the same 24 hour period.

“**Surviving Children**” means your dependent children as defined in the definition of "eligible dependents" applicable to the policy provided such children survive both you and your spouse by at least 24 hours.

Extended Family Benefit

(only applicable in the case of Family Coverage)

If an Insured Employee, who had insured his family members, suffers loss of life in a covered accident, coverage may be extended for the spouse and dependent children for a maximum of six (6) months if premiums are paid.

Special Benefit for Dependent Children

(only applicable in the case of Family Coverage)

	Child's Principal Sum
Loss of Life.....	100%
Loss of Two Hands, Two Arms, Two Legs, Two Feet, One Hand and One Foot, Entire Sight of Both Eyes, Speech and Hearing	400%
Quadriplegia	400%
Paraplegia	400%
Hemiplegia	400%
Loss of One Arm or One Leg, Speech or Hearing	200%
Loss of One Hand or One Foot	100%

“**The Child's Principal Sum**” means the applicable percentage of the employee's amount of insurance for which application has been made. The maximum benefit payable will be \$100,000.

**THE FOLLOWING PROVISIONS ARE APPLICABLE TO BOTH
THE BASIC AND VOLUNTARY INSURANCE**

EXCLUSIONS

The plan does not cover any loss, which is the result of:

- a. Intentionally self-inflicted injuries, suicide or any attempt thereat, while sane or insane;
- b. Declared or undeclared war or any act thereof;
- c. Losses occurring while the insured person is serving on full-time active duty in the Armed Forces of any country or international authority (any premium paid to be returned by Chubb Life pro-rata for any such period of full-time active duty);
- d. Travel or flight in any vehicle or device for aerial navigation; except to the extent such travel or flight is provided in the "Description of Hazards" section of the Accidental Death & Dismemberment portion of the policy.
- e. Travel or flying in an aircraft owned or leased by the Policyholder, an Insured Person or an employee of an Insured Person's household, or aircraft being used for any test or experimental purpose, firefighting, power line inspection, pipeline inspection, aerial photography of exploration;
- f. This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of the policy remain unchanged.

HOW TO CLAIM

In the event of a claim, claim forms can be obtained from the Plan Administrator.

Notice of claim must be given to Chubb Life within 30 days from the date of the accident, the beginning of the disability or after the survival period, and subsequent proof of claim must be submitted to Chubb Life within 90 days from the date of the accident or after survival period.

Failure to give notice of claim or furnish proof of claim within the time prescribed in the policy condition will not invalidate the claim if the notice or proof is given or furnished as soon as reasonably possible and if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed. In no event, will Chubb Life accept notice of claim beyond one (1) year.

GENERAL PROVISIONS

Beneficiary

An employee or any spouse has the right to name a beneficiary when he applies for insurance.

It is understood that the beneficiary designation made under the Policyholder's Group Life Insurance Policy shall be recognized as the beneficiary under the policy, unless a further designation has been made that specifically identifies the policy. Failing such designation, all benefits will be paid to the estate of the insured person.

All other indemnities of the policy will be payable to the insured person.

An insured person can change his beneficiary at any time, where permitted by law. The Company assumes no responsibility for the validity of such designation or change of beneficiary.

The beneficiary designation made by the insured person (if any) under the replaced policy has been retained. The insured person should review the existing designation to ensure it reflects his/her current intention.

The policy contains a provision removing or restricting the right of the insured person to designate persons to whom or for whose benefit insurance money is to be payable.

Legal Actions

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Insurance Act, Limitations Act, 2002 or other applicable legislation in the Insured's province of residence.

Change of Insurer

An insured person under a former policy may not be excluded from the new policy or be denied benefits solely because of a pre-existing condition limitation that was not applicable or that did not exist in the former policy, or because the person is not at work on the date of coming into force of the new policy.

The insured person and any claimant under the policy has the right, as determined by law applicable in the insured person's province of residence, to obtain a copy of his/her application, any written evidence of insurability (as applicable) and the Policy, on request, subject to certain access limitations.

CHUBB

Chubb Life is part of the Chubb group of insurance companies, with operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients.

Chubb Limited, the parent company of Chubb Life, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.